

FILED

AUG 21 2020

TERRE HAUTE CITY COUNCIL
STATE OF INDIANA
RESOLUTION NO. 11, 2020

CITY CLERK

A Resolution of the Common Council of the City of Terre Haute, Indiana, Designating an Area Within Terre Haute, Indiana commonly identified as 1300 Ohio Street, Terre Haute, Indiana as an Economic Revitalization Area for the Purpose of Seven (7) Year Real Property Tax Abatement for KJB Holdings, LLC.

WHEREAS, a Petition for a seven (7) year real property tax abatement has been filed with the Common Council of the City of Terre Haute, Indiana requesting that the real property described therein be designated an Economic Revitalization Area for purposes of real property tax abatement; and

WHEREAS, the petitioner has submitted an Application and Statement of Benefits and provided all information and documentation necessary for the Common Council of the City of Terre Haute, Indiana to make an informed decision, said information including a legal description of the aforesaid property as set forth in attached **Exhibit A** (which is hereby made a part hereof), and a site plan in attached **Exhibit B**; and

WHEREAS, petitioner has estimated that its investment in the construction of the building and amenities located on said real estate (the "Project") will create eleven (11) to twenty (20) new full time employees over the next five (5) years with an annual payroll between Four Hundred Thousand Dollars (\$400,000.00) and Seven Hundred Thousand Dollars (\$700,000.00) per year;

WHEREAS, in addition to the employment benefits, the Project offers important development to the City of Terre Haute as a means to better serve the business needs of the downtown and surrounding communities, which has been proven to drive economic revitalization. The redevelopment of this property will be a significant economic catalyst for continued development of Terre Haute's downtown and Ohio Street.

WHEREAS, the Common Council of the City of Terre Haute, Indiana is authorized under the provisions of I. C. 6-1.1-12.1-1 et. seq. to designate areas of Terre Haute, Indiana as economic revitalization areas for the purpose of tax abatement; and

WHEREAS, the Common Council of the City of Terre Haute, Indiana has considered the Application, Petition and Statement of Benefits and has conducted a complete and proper investigation of the subject property and neighborhood to determine that the area qualifies as an economic revitalization area under Indiana statutes; and

WHEREAS, the Common Council of the City of Terre Haute, Indiana has found the subject property to be an area within the boundaries of the City of Terre Haute, Indiana, which area has become undesirable for, or impossible of, normal development and occupancy as it

has existed, cessation of growth, and deterioration of improvements which have impaired values or prevented a normal development of property or use of property –and such is an area declining in tax revenues;

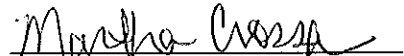
WHEREAS, the real property abatement is a declining percentage of the increase in assessed value of the improvement based on the following time period and percentages as determined by the City Council:

| ABATEMENT YEAR | ABATEMENT % | TAX ABATED | TAX PAID |
|----------------|-------------|-------------|-------------|
| 1 | 100 | \$13,757.00 | \$0.00 |
| 2 | 85 | \$11,693.00 | \$2,064.00 |
| 3 | 71 | \$9,767.00 | \$3,990.00 |
| 4 | 57 | \$7,842.00 | \$5,915.00 |
| 5 | 43 | \$5,916.00 | \$7,841.00 |
| 6 | 29 | \$3,990.00 | \$9,767.00 |
| 7 | 14 | \$1,926.00 | \$11,831.00 |

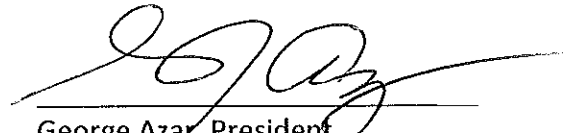
NOW, THEREFORE, IT IS FOUND, DETERMINED AND RESOLVED by the Common Council of the City of Terre Haute, Indiana that:

1. The petitioner's estimate of the value of the Project to be constructed on the subject real property is reasonable for projects of that nature in order to maintain, expand, update and improve services to the community.
2. The petitioner's estimate of the number of individuals who will be employed and retained, and the benefits thereby, can reasonably be expected to result from the Project.
3. The petitioner's estimate of the annual salaries or wages of the individuals who will be employed, and the benefits thereby, can reasonably be expected to result from the Project.
4. The totality of the benefits of the Project are sufficient to justify a seven (7) year property tax deduction from assessed valuation to result therefrom under Indiana statutes, and each and all of such deductions should be, and they are hereby, allowed pursuant to the schedule set out herein above.
5. The Petition for designating the subject property as an Economic Revitalization Area for the purposes of seven (7) year real property tax abatement and the Statement of Benefits (copies of which were submitted with the Petition) are hereby approved and the real estate described hereinabove is hereby designated as an Economic Revitalization Area pursuant to I. C. 6-1.1-12.1-1 et. seq.
6. A copy of this Resolution, following its passage, shall be filed with the Vigo County Assessor as required by I.C. 6-1.1-12.1-2.5(c).

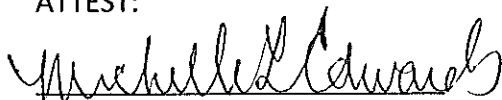
Presented by:


Martha Crossen, Councilperson

Passed in open Council this 15 day of September, 2020.


George Azar, President,
Common Council of the City of
Terre Haute, Indiana

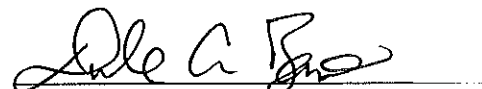
ATTEST:


Michelle Edwards, City Clerk

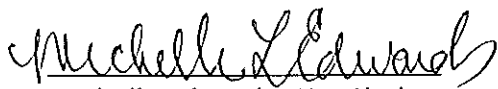
Presented by me to the Mayor this 16TH day of SEPTEMBER, 2020.


Michelle Edwards, City Clerk

Approved by me, the Mayor, this 16TH day of SEPTEMBER, 2020.


Duke Bennett, Mayor
City of Terre Haute, Indiana

ATTEST:


Michelle Edwards, City Clerk

This instrument prepared by Richard J. Shagley II, Attorney, WRIGHT, SHAGLEY & LOWERY, 500
Ohio Street, Terre Haute, Indiana 47807

EXHIBIT A

LAND DESCRIPTION

Lot Number Fifty-five (55) and Twenty-eight (28) feet of even width off the South side of Lot Number Fifty-four (54) in the survey of Gilbert Place, being a subdivision of part of the Southeast Quarter (SE 1/4) of Section Twenty-two (22), Township Twelve (12) North of Range Nine (9) West, as shown by the plat recorded April 16, 1866 in Plat Record I Page 127, records of the Recorder's Office of Vigo County, Indiana.

More Commonly referred to as: 1300 Ohio St, Terre Haute, IN 47807

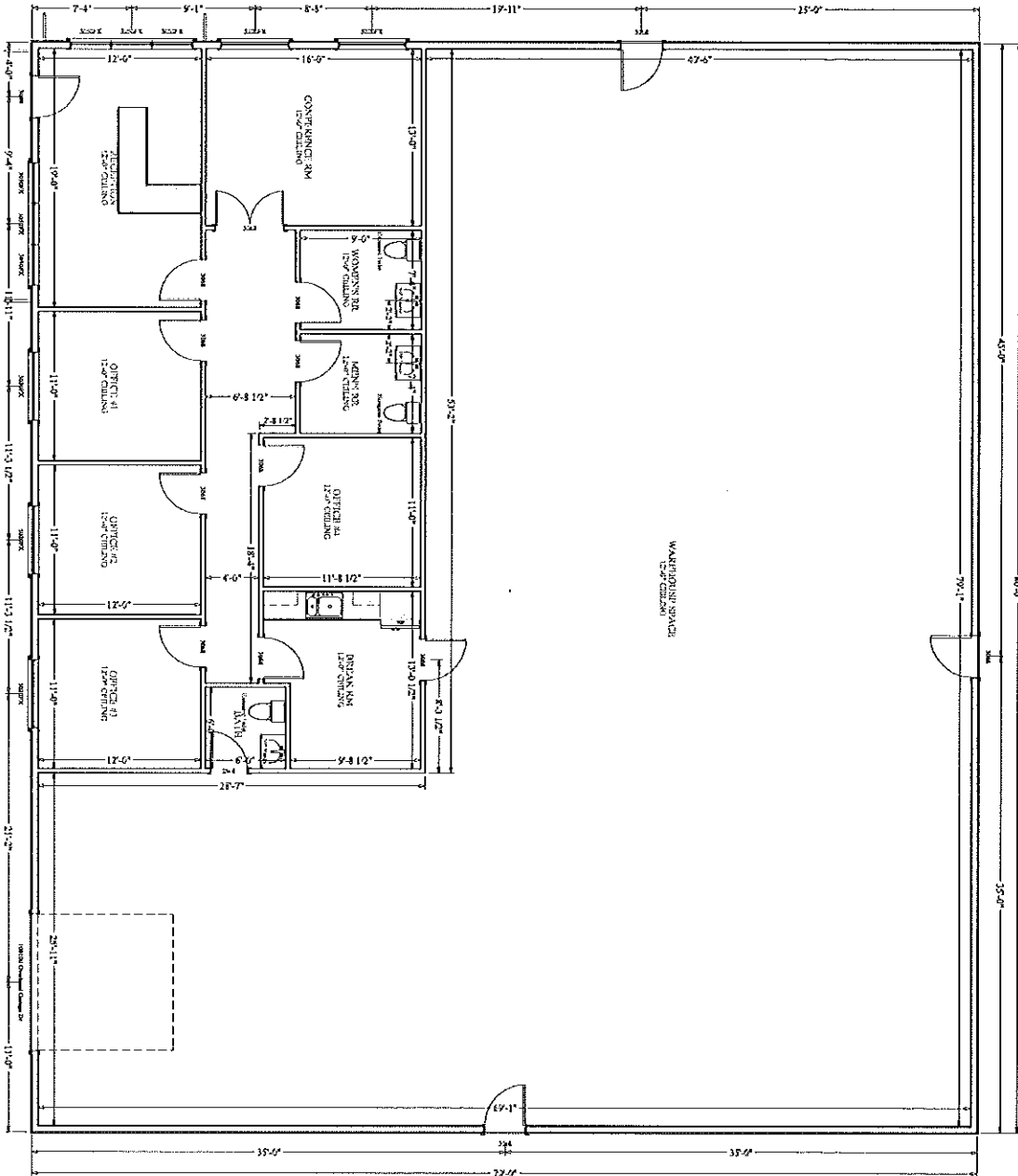
EXHIBIT B

13 Th Street

Main Floor Plan
Scale: 1/4" = 1'-0"

Site PLAN

N ↑



OHIO ST.

Main Floor Plan

Page #
3

Project Number
Brant: KJB
Scale: Specified

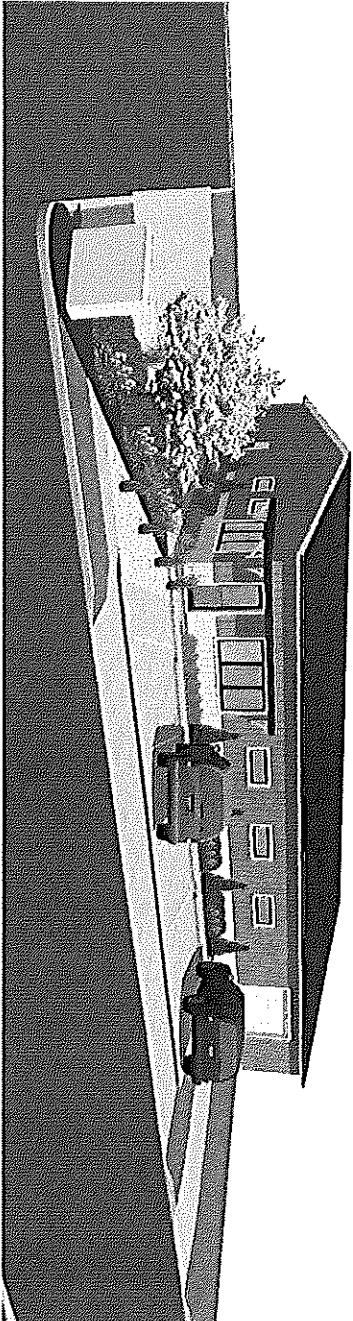
Drawn By: _____ Date: _____
Accepted By: _____ Date: _____

KJB Holdings
1801 W 18th St
Indianapolis, In 46202

Steele Engineering
875 E. Co Rd 250 N.
Sullivan, In 47882
(812) 268 - 1312

KJB Holdings

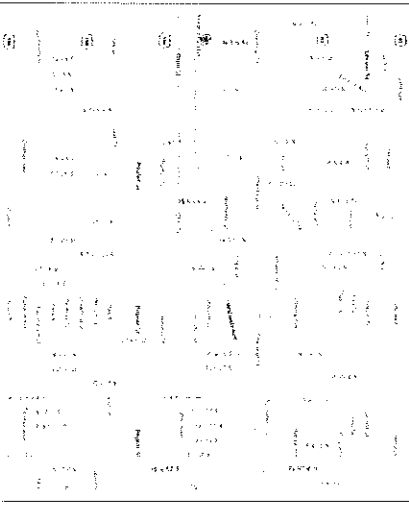
Terre Haute, IN



ARCHITECTURAL NOTES:

- 1) All work shall be in accordance with all applicable rules and regulations of the Indiana State Building Commission and all other applicable state and local rules and regulations. The contractor and sub-contractors shall perform all their work in such a manner as to be in compliance with all applicable rules and shall bring any discrepancies or conflicts to any rules and the plans or specifications to the attention of the engineer.
 - 2) Dimensions are from face of masonry or studs to the face of masonry or studs. Use the structural dimensions where possible; do not scale the drawings.
 - 3) The contractor is responsible for compliance with all state and local codes pertaining to construction and to repair and protection of public structures and right of ways. The contractor shall also contain all local construction and connection permits that may be required.
 - 4) The contractor is to verify and check all dimensions and the drawings and specifications before beginning any work. Any discrepancies or errors shall be brought to the attention of the engineer.
 - 5) The posting of an official design release placard and maintenance of one static stamped plans and specifications on the job site are required by rule #6, section 19, GAB (675 IAC 12-6).
 - 6) A 22"x42" attic access opening shall be provided in accordance with Section 3205(9), IBC (675 IAC 13-2.2).
 - 7) Adequate attic ventilation shall be provided in accordance with Section 3205(6), IBC (675 IAC 13-2.2).
 - 8) Attic area to be divided into two areas, not to exceed 3,000 square feet.
 - 9) Panic hardware to be on all exterior doors.
- Building Type V-A: building to be constructed in accordance with 2008 building code
Envelope compliance certificate to be constructed in compliance with 90.1 (2007) Standard
This site is located within earthquake moderate to low risk in accordance with NEHRP-200:

VICINITY MAP:



SHEET INDEX:

- 1) Cover Sheet
- Vicinity Map
- 2) Foundation Plan
- 3) Floor Plan
- 4) Roof Plan
- 5) Front & Side Elevations
- 6) Rear & Side Elevations

| | | |
|----------------------------|-------------------------------|--------------------------------|
| Page # 1 Cover Sheet | Project Number Bennet: KJB | Drawn By: _____ Date: _____ |
| | Scale: Specified | Accepted By: _____ Date: _____ |

THE OWNER AND ALL REGULATORY AGENCIES ARE RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION PROVIDED IN THESE PLANS. THE ENGINEER IS NOT RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION PROVIDED IN THESE PLANS.

KJB Holdings
1801 W 18th St
Indianapolis, IN 46202

Steele Engineering
875 E. Co Rd 250 N.
Sullivan, IN 47682
(812) 268-1312

**FINAL ACTION BY COMMON COUNCIL OF
THE CITY OF TERRE HAUTE, INDIANA
REGARDING RESOLUTION 11, 2020**

WHEREAS, the Common Council of the City of Terre Haute, Indiana adopted Resolution 11, 2020, on the 15 day of September, 2020, and pursuant to Indiana Law has published notice of the adoption and substance of said Resolution including a description of the affected area, commonly known as that area consisting of 1300 Ohio Street, Terre Haute, Indiana and notice that a description of the affected area is available for inspection in the office of the Vigo County Assessor and further stating a date on which the Common Council of the City of Terre Haute, Indiana would receive and hear remonstrances and objections; and

WHEREAS, the Common Council of the City of Terre Haute, Indiana has conducted the hearing as required by law and has received no remonstrances or objections to designation of the affected area as an economic revitalization area or to approval of the Application and Statement of Benefits heretofore filed; and

WHEREAS, said matter is before the Common Council of the City of Terre Haute, Indiana for final action pursuant to Indiana law; and

WHEREAS, the Common Council of the City of Terre Haute, Indiana has received and examined, prior to such hearing, an Application and Statement of Benefits on the form prescribed by the City of Terre Haute and the State Board of Tax Commissioners and proper application for designation and has heard all appropriate evidence concerning the proposed project and has found and does find:

1. The petitioner's estimate of the value of the Project to be constructed on the subject real property is reasonable for projects of that nature in order to maintain, expand, update and improve services to the community.
2. The petitioner's estimate of the number of individuals who will be employed, and the benefits thereby, can reasonably be expected to result from the Project.
3. The petitioner's estimate of the annual salaries or wages of the individuals who will be employed, and the benefits thereby, can reasonably be expected to result from the Project.
4. The totality of the benefits of the Project are sufficient to justify a seven (7) year property tax deduction from assessed valuation to result therefrom under Indiana statutes, and each and all of such deductions should be, and they are hereby, allowed pursuant to the schedule set out in Resolution 11, 2020.
5. That all qualifications for establishing an Economic Revitalization Area have been met.

6. The Petition for designating the subject property as an Economic Revitalization Area for the purposes of seven (7) year real property tax abatement and the Statement of Benefits (copies of which were submitted with the Petition) are hereby approved and the real estate described hereinabove is hereby designated as an Economic Revitalization Area pursuant to I. C. 6-1.1-12.1-1 et. seq.

NOW, THEREFORE, for final action on Resolution 11, 2020, the Common Council of the City of Terre Haute, Indiana, RESOLVES, FINDS AND DETERMINES:

1. That all of the requirements for designation of the real estate described in Resolution 11, 2020, as an Economic Revitalization Area have been met, the foregoing findings are true and that all information required to be submitted has been submitted in proper form.

2. That Resolution 11, 2020, is in all respects confirmed and approved (as modified to incorporate therein this final action); that the benefits of the proposed development are sufficient to justify a seven (7) year real property tax abatement under Indiana statutes for the proposed redevelopment described in the aforesaid Statement of Benefits; the deduction for the proposed project and development, as well as the Statement of Benefits submitted are each and all approved; the Common Council of the City of Terre Haute, Indiana authorizes and directs the endorsement of said Statement to show such approval; that the real estate described in Resolution 11, 2020, is declared an Economic Revitalization Area for the purposes of a seven (7) year real property tax abatement; and the said real estate is hereby designated as an Economic Revitalization Area pursuant to I. C. 6-1.1-12.1-1 et seq.

3. That said Resolution supplements any other designation (if any) of the aforesaid real estate as an Economic Revitalization Area.

4. That this Final Action, Findings and Confirmation of Resolution 11, 2020, shall be incorporated in and be a part of Resolution 11, 2020.

Presented by:


Martha Crossen, Councilperson

Passed in open Council this _____ day of _____, 2020.

George Azar, President,
Common Council of the City of
Terre Haute, Indiana

ATTEST:

Michelle Edwards, City Clerk

Presented by me to the Mayor this _____ day of _____, 2020.

Michelle Edwards, City Clerk

Approved by me, the Mayor, this _____ day of _____, 2020.

Duke Bennett, Mayor
City of Terre Haute, Indiana

ATTEST:

Michelle Edwards, City Clerk

This instrument prepared by Richard J. Shagley II, Attorney, WRIGHT, SHAGLEY & LOWERY, 500
Ohio Street, Terre Haute, Indiana 47807

**CITY OF TERRE HAUTE
PETITION FOR REAL PROPERTY
TAX ABATEMENT CONSIDERATION**

The undersigned proposed owner of real property located within the City of Terre Haute hereby petitions the Common Council of the City of Terre Haute for real property tax abatement consideration pursuant to I. C. 6-1.1-12.1-1, et seq. and for this petition states the following:

1. The Project. Petitioner, KJB Holdings, LLC ("KJB"), is the owner of the properties which is now a vacant lot located at 1300 Ohio Street, Terre Haute, Indiana. The property has been vacant for over twenty (20) years. The owner intends to relocate its printing business that is currently located in Indianapolis, Indiana.
2. The proposed construction project would include a new building approximately 5600 square foot. The project is projected to begin in October 1,2020 and is anticipated to be completed in the spring of 2021.
3. The proposed project is all new construction including infrastructure. This development would serve as a catalyst for continued economic development in the surrounding Downtown area. The project is an important development for the City of Terre Haute as a means to better serve the needs of the commercial community in our local and surrounding areas.

The development of this property will be a significant economic catalyst for the continued development of Terre Haute's Downtown and the revitalization of Ohio Street.

4. The project will result in eleven (11) to twenty (20) new full time employees over the next five (5) years with an annual payroll between Four Hundred Thousand Dollars (\$400,000.00) and Seven Hundred Thousand Dollars (\$700,000.00) plus certain benefits.

5. Estimate the dollar value of the development project:

The estimated total project cost of the construction of a new building is approximately Three Hundred Twenty Five Thousand Dollars and 00/100 (\$325,000.00).

6. (a) The real property for which tax abatement consideration is petitioned (Property) is owned by the following:

KJB Holdings, LLC
4559 E. Hulman St.
Terre Haute, IN 47803

(b) A brief description of the overall nature of the business and of the operations occurring at the Property:

Petitioner is wanting to relocate its printing business from Indianapolis to Terre Haute. Petitioner had purchased the vacant lot located at 1300 Ohio St. as an investment. Petitioner later determined that it would like to relocate its business, if possible. Petitioner is seeking a real and personal property tax abatements to make the relocation more economical.

The property is currently generating minimal real property taxes which will continue to be paid along with a portion of the new assessed amount.

7. The commonly known address of the Property is:

1300 Ohio Street
Terre Haute IN 47807

A legal description of the land upon which the project would be built is attached hereto, marked **Exhibit A** and incorporated herein.

8. An Engineering Site Plan showing the entire tract and the proposed footprint of the proposed construction of the building and parking lots is attached hereto as **Exhibit B** and incorporated herein.

9. It is anticipated that the construction of the project will provide significant economic benefits to the neighborhood and the City of Terre Haute. These benefits include construction expenditure, annual economic impacts, job impacts, income impacts, and revenue impacts.

10. Petitioner is seeking a seven (7) year tax abatement that would provide that during each of the first seven (7) years after rehabilitation the tax would abate as follows: The best estimate of the amount of taxes to be abated during each of the seven (7) years after rehabilitation is:

Tax Rate for Harrison Township is expected to be 4.2329%, with the standard circuit breaker tax credit.

Assumed Assessed Value: \$325,000

| ABATEMENT YEAR | ABATEMENT % | TAX ABATED | TAX PAID |
|----------------|-------------|-------------|-------------|
| 1 | 100 | \$13,757.00 | \$0.00 |
| 2 | 85 | \$11,693.00 | \$2,064.00 |
| 3 | 71 | \$9,767.00 | \$3,990.00 |
| 4 | 57 | \$7,842.00 | \$5,915.00 |
| 5 | 43 | \$5,916.00 | \$7,841.00 |
| 6 | 29 | \$3,990.00 | \$9,767.00 |
| 7 | 14 | \$1,926.00 | \$11,831.00 |

11. No building permit has been issued for construction on the property in connection with the improvement in question as of the date of filing of this petition. The signature below is verification of this statement.

12. There is anticipated no public financing or financial assistance for the project.

13. The property is located in an area that is within the boundaries of the City of Terre Haute, Indiana, which area has become undesirable for, or impossible of, normal development and occupancy as it has existed as a commercial area, because of a lack of interest in new development and declining conditions of the surrounding properties, cessation of growth, and deterioration of improvements which have impaired its value and prevented a normal development of the property -- and such is an area declining in tax revenues.

14. (a) The current use of the Property is a vacant lot and the current zoning is:

The zoning is currently C-2 Community Commerce District.

(b) The Property is located in the following Allocation Area (if any) declared and confirmed by the Terre Haute Redevelopment Commission:

The property is not located in an Allocation Area.

15. In view of the foregoing, Petitioner in good faith applies for a Seven (7) year real property tax abatement.

16. Petitioner agrees to enter into an Agreement with the Board of Public Works for the City of Terre Haute, Indiana, in substantially the same form as is attached hereto and made a part hereof as Exhibit "C" and further, Petitioner agrees to comply with Special Ordinance 2, 2009 (which replaced Special Ordinance 43, 2000) for reporting and compliance.

17. The following persons should be contacted as the petitioner's agent regarding additional information and public hearing notifications:

Richard J. Shagley II, Attorney at Law
WRIGHT, SHAGLEY & LOWERY, P.C.
500 Ohio Street
Terre Haute, IN 47807
Phone: (812) 232-3388
Fax: (812) 232-8817
Email: RichardS@wslfirm.com

18. The type of Economic Development Revitalization project involved in this request:

- ☐ a. Housing
- ☐ b. Office
- ☒ c. Retail/Commercial
- ☐ d. Mixed Use- Retail, Housing and Office
- ☐ e. Industrial
- ☐ f. Warehousing

WHEREFORE, Petitioner request that the Common Council of the City of Terre Haute, Indiana, adopt a declaratory resolution designating the area described herein to be an economic revitalization area for purposes of real property tax abatement consideration and, after publication of notice and public hearing, determine qualifications for an economic revitalization area have been met and confirm such resolution.

Petitioner: KIB Holdings, LLC

By: 
Kevin Bennett, Member

Date: _____

DO NOT USE THIS SPACE

| | |
|--------------------|----------------------|
| Resolution # _____ | Target Area Required |
| | Yes _____ No _____ |

Confirmed Ordinance # _____

Date of Notice _____

Final Action _____

Target Area Ord. Effective _____

This instrument prepared by Richard J. Shagley II, Attorney,
WRIGHT, SHAGLEY & LOWERY, 500 Ohio Street,
Terre Haute, Indiana 47808

EXHIBIT A

LAND DESCRIPTION

Lot Number Fifty-five (55) and Twenty-eight (28) feet of even width off the South side of Lot Number Fifty-four (54) in the survey of Gilbert Place, being a subdivision of part of the Southeast Quarter (SE 1/4) of Section Twenty-two (22), Township Twelve (12) North of Range Nine (9) West, as shown by the plat recorded April 16, 1866 in Plat Record I Page 127, records of the Recorder's Office of Vigo County, Indiana.

More Commonly referred to as: 1300 Ohio St, Terre Haute, IN 47807

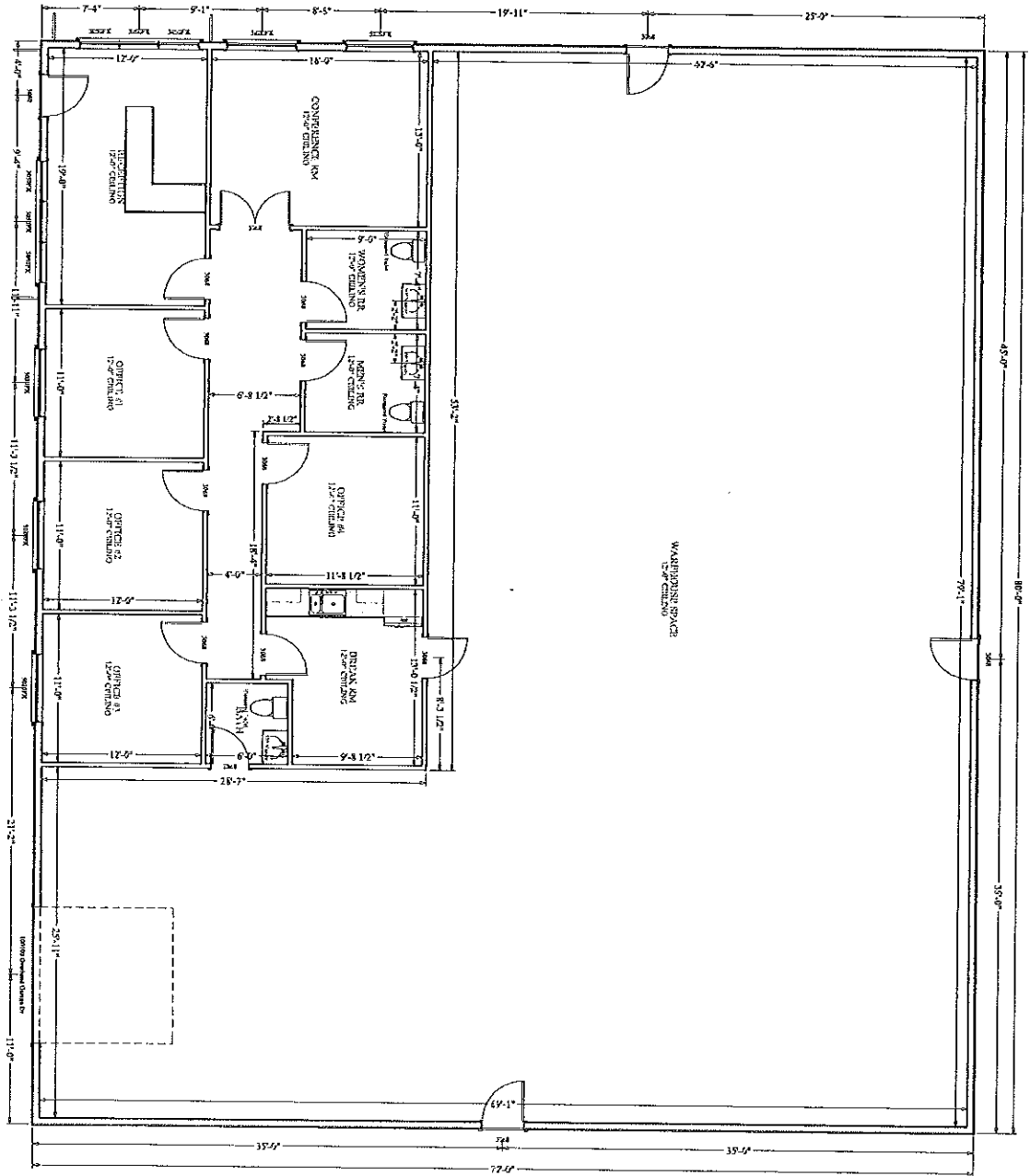
EXHIBIT B

Site PLAN

N

13th Street

Main Floor Plan
Scale: 1/4" = 1'-0"



| | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|-----|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 | 33 | 34 | 35 | 36 | 37 | 38 | 39 | 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 | 53 | 54 | 55 | 56 | 57 | 58 | 59 | 60 | 61 | 62 | 63 | 64 | 65 | 66 | 67 | 68 | 69 | 70 | 71 | 72 | 73 | 74 | 75 | 76 | 77 | 78 | 79 | 80 | 81 | 82 | 83 | 84 | 85 | 86 | 87 | 88 | 89 | 90 | 91 | 92 | 93 | 94 | 95 | 96 | 97 | 98 | 99 | 100 |
|---|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|-----|

OHIO ST.

Main Floor

Page #

Project Number
Bennet: KJB
Scale: Specified

Drawn By: _____ Date: _____
Checked By: _____ Date: _____
Approved By: _____ Date: _____

KJB Holdings
1801 W 18th St
Indianapolis, IN 46202

Steele Engineering
875 E. Co Rd 250 N.
Sullivan, IN 47652
(812) 268-1312

- 1) All work shall be in accordance with all applicable rules and regulations of the Indiana State Building Commission and all other applicable state and local rules and regulations. The contractor and sub-contractors shall perform all their work in such a manner as to be in compliance with all applicable rules and shall bring any discrepancies or conflicts to any rules and plans or specifications to the attention of the engineer.
- 2) Dimensions are from face of masonry or studs to the face of masonry or studs. Use the structural dimensions where possible; do not scale the drawings.
- 3) The contractor is responsible for compliance with all state and local codes pertaining to construction and to repair and protection of public structures and right of ways. The contractor shall also contain all local equipment and connection permits that may be required.

A vicinity map of the study area in the San Francisco Bay Area. The map shows major highways including I-580, I-880, I-805, and I-80. Key locations marked include San Francisco, San Jose, and various cities in the East Bay such as Berkeley, Oakland, and Richmond. The map also shows the location of the study area relative to these major centers, with a scale bar indicating distances in miles.

- 1) Cover Sheet
Vicinity Map
- 2) Foundation Plan
- 3) Floor Plan
- 4) Roof Plan
- 5) Front & Side Elevations
- 6) Rear & Side Elevations

EXHIBIT C

AGREEMENT

This Agreement (the "Agreement") dated as of the ___ day of _____, 2020, serves as a confirmation of the commitment of KJB Holdings, LLC (the "Applicant"), pending an _____, 2020, public hearing, to comply with the project description, and job employment and retention (as associated wage rates and salaries) figures contained in its designation application, Statement of Benefits, the Preliminary Economy Revitalization Area Resolution No. 11, 2020, and attachments adopted by the Common Council of the City of Terre Haute, Indiana (the "Council") on _____, 2020, and this Agreement (the "Commitment").

Subject to the adoption of a Final Economic Revitalization Area Resolution by the Council, the City of Terre Haute, Indiana (the "City") commits to provide a seven (7) year real property tax abatement for the Applicant's capital expenditure of up to \$325,000.00 associated with the construction of the Commitment. The capital expenditure of the Project and the filing of such positions shall occur within three (3) years of the estimated completion date of Spring 2021, contained in the approved Statement of Benefits Form SB-1 (the "Commitment Date").

During the term of the abatement, the city may annually request information from the Applicant concerning the status of the Project, the approved capital expenditure for the Project, the number of full-time permanent positions created by the Project, and the average wage rates and salaries (excluding benefits and overtime) associated with the position, and the Applicant shall provide the City with adequate written evidence thereof within 15 days of such request (the "annual Survey"). The applicant shall provide a copy of the annual CF1 to the Board of Public Works and Safety at the same times the CF1 is filed with the County. The City shall utilize this information to verify that the Applicant has complied with the commitments contained in "the Commitments" at all times after the Commitment Date and during the duration of the abatement. The Applicant further agrees to provide the City with such additional information requested by the City related to the information provided in the Annual Survey and the CF1 form within a reasonable time following any such additional request.

The City, by and through the Council, reserves the right to terminate the Economic Revitalization Area designation and associated property tax abatement deductions if the Applicant has not made reasonable efforts to substantially comply with all the commitments, and the Applicant's failure to substantially comply with the Commitments was not due to factors beyond its control. As used in the Agreement, "substantial compliance" shall mean the Applicant's compliance with the following: Making capital expenditures of up to \$325,000.00 for the Project.

As used in this Agreement, the factors beyond the control of the applicant shall only include factors not reasonably foreseeable at the time of the designation application and submission of the Statement of Benefits which are not caused by any negligent act or omission of the Applicant and which materially and adversely affect the ability of the Applicant to substantially comply with this Agreement.

If the City terminates the Economic Revitalization Area designation and associated tax abatement deductions, it may require the Applicant to repay the City all or a portion of the tax abatement savings received through the date of such termination. The amount of tax abatement required to be repaid for each year of noncompliance shall not exceed an amount equal to the percentage by which the Applicant has failed to attain substantial compliance in position retention

and/or creation and average hourly wage rate and salary categories multiplied by the dollar amount of taxes actually abated. If the Applicant fails to substantially comply with more than one of the aforementioned categories, repayment shall be based on the average level of noncompliance.

If any at time during the term of this Agreement, whether before or after the Commitment Date, the Applicant shall: (1) cease operations at the facility for which the tax abatement was granted; or (ii) announce the cessation of operations at such facility, then the City may immediately terminate the Economic Revitalization Area designation and associated future tax abatement deductions.

In the event the City requires repayment of the tax abatement savings as provided hereunder, it shall provide Applicant with a written statement calculating the amount due (the "Statement"), and Applicant shall make such repayment to the City within 90 days of the date of the Statement. If the Applicant does not make timely repayment, the City shall be entitled to all reasonable costs and attorney fees incurred in the enforcement and collection of the tax abatement savings required to be repaid hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

"Applicant"

Board of Public Works & Safety
City of Terre Haute

KJB Holdings, LLC

By: _____

Kevin Bennet, Member

Approved as to Legal Adequacy and Form on this ____ day of _____, 2020.

By: _____

Title: _____

Exhibit A

CITY OF TERRE HAUTE

PROPERTY TAX ABATEMENT PROGRAM APPLICATION

Ownership Information

| Name | Address | Phone | Percentage Interest (if applicable) |
|-----------------------|--------------------|--------------|--|
| KJB Holdings, LLC | 4559 E. Hulman St. | 812-249-1842 | 100% |
| Terre Haute, IN 47803 | | | |

Note: If the owner is a corporation, list the name, address and telephone number for the contact person representing the corporation.

If the owner is a partnership, list the name, address and telephone number of each general and/or limited partner and the percentage of interest in the property held by each general and/or limited partner.

If the owner is a sole proprietor, list the name, address and telephone number of the proprietor.

Property Description

- A. Street Address: 1300 Ohio Street, Terre Haute, IN 47807
- B. Parcel ID Number(s): 84-06-22-451-005.000-002

Current Status of Property

- A. Current zoning designation of property: C-2

- B. Describe current improvements to the property, including estimated age of existing buildings:
Vacant Lot

- C. Describe the current use of the property, including the names of businesses currently operating (if applicable) and the current number of jobs (if applicable):

Vacant Lot

- D. Current total assessed valuation of land and all improvements: 1-1-2020; \$9600

Exhibit A

E. Describe any unique historical structure or aesthetic improvements: N/A

Proposed Improvements

A. Describe proposed real property improvements and projected costs: _____

Build a 5600 Sq. Ft. building at 1300 Ohio Street; Projected Costs: \$325,000

B. Describe proposed depreciable personal property improvements and projected costs: _____

New large format and digital print, and bindery equipment.

C. List any public infrastructure improvements, with estimated costs, that will be necessary for the project: Sidewalks and entrances to property

D. Project Start Date: _____

E. Project Completion Date: _____

Eligibility

A. State reasons why the project site qualifies as an Economic Revitalization Area as defined under State Law, i.e., lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings or other factors that have impaired values or prevent a normal development of property or use of property. In the case of manufacturing equipment, also indicate whether or not the area contains a facility or group of facilities that are technologically, economically, or energy obsolete and if the obsolescence may lead to a decline in employment and tax revenues:

The unimproved ground has sat vacant for over 20 years.

There has been a lack of new development in this area. This area
houses other printing facilities and will be a good addition to the area.

This new facility will be will be home to the newest in printing
manufacturing equipment.

B. State the estimated number of new full-time employees (if applicable) and new employees retained (if applicable). Also include salaries and a description of employee benefits:

Exhibit A

Number of new employees: 11-20 over 5 years; Average Annual Salary: \$12-\$21 per hour

Number of retained employees: ; Average Annual Salary:

Description of employee benefits for new and/or retained employees:

Health Insurance and 401k

C. Please attach completed State of Indiana Statement of Benefits form for real property improvements (Form SB – 1/ RE) and/or State of Indiana Statement of Benefits form for personal property improvements (Form SB – 1/ PP) to this application material.

Ineligible Projects

Projects will not be considered if a building permit has already been obtained or construction has been initiated. This is because the decision of the Council to designate the Economic Revitalization Area must be passed on the finding that the area is “undesirable for normal development”.

The City Council has the right to void the tax abatement designation awarded to a project if the project has not been initiated within twelve (12) months of the reconfirmation date of the tax abatement resolution, or if the actual use is different than that approved.

Tax abatement for the rehabilitation or development of real property is not eligible for the following types of facilities:

1. Private or commercial golf courses.
2. Country club.
3. Massage parlor.
4. Tennis club.
5. Skating facility (including roller skating, skateboarding or ice skating).
6. Racquet sport facility (including any handball or racquetball court).
7. Hot tub facility.
8. Suntan facility.
9. Racetrack.
10. Any facility the primary purpose of which is:
 - a. retail food and beverage service;
 - b. automobile sales or service; or
 - c. other retail
11. Residential.
12. A package liquor store that holds a liquor dealer's permit under IC 7.1-3-10 or any other entity that is required to operate under a license issued under IC 7.1. This subdivision does not apply to an applicant that:
 - (A) was eligible for tax abatement under this chapter before July 1, 1995;
 - (B) is described in IC 7.1-5-7-11; or
 - (C) operates a facility under:
 - (i) a beer wholesaler's permit under IC 7.1-3-3;
 - (ii) a liquor wholesaler's permit under IC 7.1-3-8; or
 - (iii) a wine wholesaler's permit under IC 7.1-3-13;

Exhibit A

Certification

I hereby certify that the representations made in this application are true and I understand that if above improvements are not commenced (defined as obtaining a building permit and actual start of construction) within 12 months of the date of the designation of the above area as an Economic Revitalization Area, the Terre Haute Common Council shall have the right to void such designation.

OWNER(S)*


DATE
8/21/2020

* If the entity seeking tax abatement is a corporation, an authorized representative must sign. If the entity is a partnership, all partners must sign. If the entity is a sole proprietorship, the proprietor must sign.

Exhibit A

CITY OF TERRE HAUTE

PROPERTY TAX ABATMENT PROGRAM OVERVIEW AND GUIDELINE SCORING SYSTEM

Program Description

Property tax abatement in Indiana is authorized under Indiana Code 6-1.1-12.1 in the form of deductions from assessed valuation. Any property owner in a locally-designated Economic Revitalization Area (ERA) who makes improvements to the real property or installs eligible new or used personal property (such as manufacturing equipment and certain research and development equipment) is eligible for property tax abatement. Land does not qualify for abatement.

Scoring System

The City of Terre Haute utilizes a scoring system as a guide for determining the appropriate length of time (one of ten time periods can be used) of the property tax abatement(s) being sought for a proposed project. Additional information on the scoring system can be found elsewhere in this document.

Indiana Real Property Assessment Standard

A property's assessed value is the basis for property taxes. Annually, local assessing officials assess the value of real property on March 1 based on market value in use of the property. Property owners can estimate the property taxes for new construction by adding the cost of the land and improvements together and multiplying by the tax rate. For real property tax abatement calculation purposes, the cost of the improvements (the land itself cannot be abated) would be utilized as the real property assessed value. This real property assessment value would then be phased-in over one of ten time periods.

Indiana Personal Property Assessment Standard

Personal property values are assessed March 1 of every year and are self reported by property owners to township assessors using prescribed state forms. Generally speaking, personal property taxes are levied against all tangible property other than real property. Numerous deductions can be applied to personal property. Of course, the value of personal property over time will be subject to depreciation, therefore, applicants are advised to seek the counsel of a financial advisor to determine which asset pool(s) (see following table) would be applicable to their particular project.

Additional information on the State of Indiana's property tax assessment system can be found at the Indiana Department of Local Government Finance website at www.in.gov/dlgf.

Exhibit A

Indiana Pools of Assets by Lives Utilized on Federal Tax Return

| Year of Acquisition | Pool #1 (1-4 Yrs) | Pool #2 (5-8 Yrs) | Pool #3 (9-12 yrs) | Pool #4 (13+ Yrs) |
|---------------------|-------------------|-------------------|--------------------|-------------------|
| 1 | 65% | 40% | 40% | 40% |
| 2 | 50% | 56% | 60% | 60% |
| 3 | 35% | 42% | 55% | 63% |
| 4 | 20% | 32% | 45% | 54% |
| 5 | | 24% | 37% | 46% |
| 6 | | 18% | 30% | 40% |
| 7 | | 15% | 25% | 34% |
| 8 | | | 20% | 29% |
| 9 | | | 16% | 25% |
| 10 | | | 12% | 21% |
| 11 | | | | 15% |
| 12 | | | | 10% |
| 13 | | | | 5% |

Note: The total valuation of a taxpayer's assessable depreciable personal property in a single taxing district cannot be less than 30% of the adjusted cost of all such property of the taxpayer.

Real Property Abatement Calculation

Real property abatement is a declining percentage of the increase in assessed value of the improvement based on one of the ten following time periods and percentages as determined by the City Council:

| | 10 Year | 9 Year | 8 Year | 7 Year | 6 Year | 5 Year | 4 Year | 3 Year | 2 Year | 1 Year |
|------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Year | | | | | | | | | | |
| 1 | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| 2 | 95% | 88% | 88% | 85% | 85% | 80% | 75% | 66% | 50% | |
| 3 | 80% | 77% | 75% | 71% | 66% | 60% | 50% | 33% | | |
| 4 | 65% | 66% | 63% | 57% | 50% | 40% | 25% | | | |
| 5 | 50% | 55% | 50% | 43% | 34% | 20% | | | | |
| 6 | 40% | 44% | 38% | 29% | 17% | | | | | |
| 7 | 30% | 33% | 25% | 14% | | | | | | |
| 8 | 20% | 22% | 13% | | | | | | | |
| 9 | 10% | 11% | | | | | | | | |
| 10 | 5% | | | | | | | | | |

Depreciable Personal Property Abatement Calculation

Depreciable personal property tax abatement is a declining percentage of the assessed value of the newly installed manufacturing (and certain research/development and warehousing/distribution equipment), based upon one of the ten time periods and percentages as determined by the City Council:

| | 10 Year | 9 Year | 8 Year | 7 Year | 6 Year | 5 Year | 4 Year | 3 Year | 2 Year | 1 Year |
|------|---------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Year | | | | | | | | | | |
| 1 | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| 2 | 90% | 88% | 88% | 85% | 85% | 80% | 75% | 66% | 50% | |
| 3 | 80% | 77% | 75% | 71% | 66% | 60% | 50% | 33% | | |
| 4 | 70% | 66% | 63% | 57% | 50% | 40% | 25% | | | |
| 5 | 60% | 55% | 50% | 43% | 34% | 20% | | | | |
| 6 | 50% | 44% | 38% | 29% | 17% | | | | | |
| 7 | 40% | 33% | 25% | 14% | | | | | | |
| 8 | 30% | 22% | 13% | | | | | | | |
| 9 | 20% | 11% | | | | | | | | |
| 10 | 10% | | | | | | | | | |

Adopted: 4/16/15

Exhibit A

Project Eligibility Criteria

Decisions to designate areas as Economic Revitalization Areas are determined by the City Council. The City Council utilizes a numerical scoring system as a guide for designating areas as Economic Revitalization Areas within the corporate limits of the City of Terre Haute. Each project is scored on its individual merits. The points system that is utilized to evaluate projects considers the degree of revitalization that the project will have on the surrounding area as well as other facts such as employment (created and/or retained), investment, utilization of local construction firms and labor and so forth.

The following projects will be considered by the Terre Haute City Council for property tax abatement. The real property guideline project scoring criteria can be found in the section entitled "City of Terre Haute Real Property Tax Abatement Guideline Scoring Criteria" on page 8. For projects seeking personal property tax abatement, the "City of Terre Haute Personal Property Tax Abatement Guideline Scoring Criteria" can be found on page 10.

(A.) Manufacturing Project – Local manufacturing projects, local manufacturing-related office structures and local manufacturing-related warehouses that create or preserve employment within the city limits are eligible for property tax abatement. In the case of manufacturing facilities that directly produce product (as well as manufacturing related-warehouses), both real and depreciable personal property are eligible. In the case of manufacturing-related office structures, only real property is eligible for abatement. Also, certain research and development equipment may qualify for depreciable personal property tax abatement.

(B.) Non-Manufacturing Warehouse and Distribution Center Projects – Warehouses and distribution centers not related to a local manufacturing facility may be eligible for both real and depreciable personal property tax abatement. To be eligible for property tax abatement, the facility must substantially serve markets beyond the Terre Haute metropolitan area.

(C.) Office Space Development – Office space developments within the city limits are eligible for real property abatement provided the project substantially serves markets beyond the Terre Haute metropolitan area.

(D.) Historic Preservation – Projects within the city limits that assist in the preservation of buildings of significant historical nature will be considered for real property abatement.

Exhibit B
City of Terre Haute

Real Property Tax Abatement Guideline Scoring Criteria

Company Name: KJB Holdings, LLC

Application Date: August 21, 2020

| | | |
|---|--|----------|
| 1. New Real Property Investment | 5 points maximum | <u>1</u> |
| < \$500,000 | 1 | |
| \$501,000 to \$1,000,000 | 2 | |
| \$1,000,001 to \$2,000,000 | 3 | |
| \$2,000,001 to \$3,000,000 | 4 | |
| \$3,000,001 and up | 5 | |
| 2. Anticipated New Full-Time Jobs Created Within 5 Years | 5 points maximum | <u>2</u> |
| 1 to 10 employees | 1 | |
| 11 to 20 employees | 2 | |
| 21 to 30 employees | 3 | |
| 31 to 40 employees | 4 | |
| 41 employees and up | 5 | |
| 3. Anticipated Jobs To Be Retained | 5 points maximum | <u>0</u> |
| 1 to 10 employees | 1 | |
| 11 to 20 employees | 2 | |
| 21 to 30 employees | 3 | |
| 31 to 40 employees | 4 | |
| 41 employees and up | 5 | |
| 4. Wage Rates | 3 points maximum | <u>3</u> |
| \$7.50 to \$10.00 per hour | 0 | |
| \$10.01 to \$12.00 per hour | 1 | |
| \$12.01 to \$14.00 per hour | 2 | |
| \$14.01 per hour and up | 3 | |
| 5. Benefits Package | 1 point if offered | <u>1</u> |
| 6. Targeted Business | 1 point if project is good fit for community | <u>1</u> |
| 7. Community Involvement | 1 point if company plans or is already involved in community activities | <u>1</u> |
| 8. Is this project a headquarters or a new project to the community? | 1 point if "Yes" | <u>1</u> |
| 9. Diverse Workforce | 1 point if applicant maintains an affirmative action plan or other statement of specific goals with respect to employee diversity | <u>1</u> |

Exhibit B

11

Total Points

Scoring

Length of Real Property Abatement

| | |
|------------------|----------|
| 20 points and up | 10 years |
| 18 to 19 points | 9 years |
| 16 to 17 points | 8 years |
| 14 to 15 points | 7 years |
| 12 to 13 points | 6 years |
| 10 to 11 points | 5 years |
| 8 to 9 points | 4 years |
| 6 to 7 points | 3 years |
| 4 to 5 points | 2 years |
| 2 to 3 points | 1 year |

Bonus Points

- | | | |
|---|--|---|
| 1. Common Construction Wage | Council may award one bonus point if company includes common construction wage requirement in its bid specs | |
| 2. Contractors Licensed To Do Business in Vigo County | Council may award one bonus point if a substantial percentage of the total fees for construction work associated with the project are paid to companies licensed to do business in Vigo County | 1 |
| 3. Materials and Supplies From Vigo County Vendors | Council may award one bonus point if the applicant commits to purchase a substantial amount of materials and supplies for the construction work associated with the project from Vigo County-based vendors | 1 |
| 4. Existing Facility | Council may award one bonus point for use, reuse, rehabilitation and/or expansion of an existing facility | |
| 5. Mentoring/Intern Program | Council may award one bonus point if applicant pledges to participate in a mentoring or intern program associated with a Vigo County educational institution | 1 |

Total Bonus Points

3

Grand Total Points

14

Recommended Length of Real Property Abatement
Per Guideline Scoring Criteria

Years

Adopted 4/14/15



STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R6 / 10-14)

Prescribed by the Department of Local Government Finance

CONFIDENTIAL

FILED

AUG 21 2020

CITY OF GLENN

20__ PAY 20__

FORM SB-1 / Real Property

PRIVACY NOTICE

Any information concerning the value of the property and specific salaries paid to individual employees by the property owner is confidential per IC 6-1.1-12.1-5.1.

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- ☒ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Residentially distressed area (IC 6-1.1-12.1-4.1)

INSTRUCTIONS:

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise, this statement must be submitted to the designating body BEFORE the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction.
2. The statement of benefits form must be submitted to the designating body and the area designated on economic revitalization area before the initiation of the redevelopment or rehabilitation for which the person desires to claim a deduction.
3. To obtain a deduction, a Form 322/RE must be filed with the County Auditor before May 10 in the year in which the addition to assessed valuation is made or not later than thirty (30) days after the assessment notice is mailed to the property owner if it was mailed after April 10. A property owner who failed to file a deduction application within the prescribed deadline may file an application between March 1 and May 10 of a subsequent year.
4. A property owner who files for the deduction must provide the County Auditor and designating body with a Form CF-1/Real Property. The Form CF-1/Real Property should be attached to the Form 322/RE when the deduction is first claimed and then updated annually for each year the deduction is applicable IC 6-1.1-12.1-5.1(b)
5. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. For a Form SB-1/Real Property that is approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. IC 6-1.1-12.1-17

| SECTION 1 | | TAXPAYER INFORMATION | | | |
|--|--------------------|--|--------------------|--|----------------------|
| Name of taxpayer KJB Holdings, LLC | | | | | |
| Address of taxpayer (number and street, city, state, and ZIP code) 4559 E. Hulman St., Terre Haute, IN 47803 | | | | | |
| Name of contact person Kevin Bennett | | Telephone number (812) 2491842 | | E-mail address kevin@ezmailingllc.com | |
| SECTION 2 | | LOCATION AND DESCRIPTION OF PROPOSED PROJECT | | | |
| Name of designating body Terre Haute City Council | | Resolution number 11 | | | |
| Location of property 1300 Ohio Street, Terre Haute, IN 47807 | | County VIGO | | DLGF taxing district number 05 | |
| Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) New 5600 sq ft building to house new large format and digital print and binding equipment. | | | | Estimated start date (month, day, year) Oct 2020 | |
| | | | | Estimated completion date (month, day, year) June 1, 2021 | |
| SECTION 3 | | ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT | | | |
| Current number 0.00 | Salaries \$0.00 | Number retained 0.00 | Salaries \$0.00 | Number additional 11.00 | Salaries \$400.00 |
| SECTION 4 | | ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT | | | |
| | | REAL ESTATE IMPROVEMENTS | | | |
| | | COST | | ASSESSED VALUE | |
| Current values | | | | 9,600.00 | |
| Plus estimated values of proposed project | | | | | |
| Less values of any property being replaced | | | | 325.00 | |
| Net estimated values upon completion of project | | | | | |
| SECTION 5 | | WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER | | | |
| Estimated solid waste converted (pounds) _____ | | Estimated hazardous waste converted (pounds) _____ | | | |
| Other benefits | | | | | |
| SECTION 6 | | TAXPAYER CERTIFICATION | | | |
| I hereby certify that the representations in this statement are true. | | | | | |
| Signature of authorized representative | | | | Date signed (month, day, year) 8/19/2020 | |
| Printed name of authorized representative Kevin Bennett | | | | Title Member | |

We find that the applicant meets the general standards in the resolution adopted or to be adopted by this body. Said resolution, passed or to be passed under IC 6-1.1-12.1, provides for the following limitations:

- A. The designated area has been limited to a period of time not to exceed _____ calendar years* (see below). The date this designation expires is _____.
- B. The type of deduction that is allowed in the designated area is limited to:
1. Redevelopment or rehabilitation of real estate improvements ☐ Yes ☐ No
 2. Residentially distressed areas ☐ Yes ☐ No
- C. The amount of the deduction applicable is limited to \$ _____.
- D. Other limitations or conditions (specify) _____
- E. Number of years allowed: ☐ Year 1 ☐ Year 2 ☐ Year 3 ☐ Year 4 ☐ Year 5 (* see below)
☐ Year 6 ☐ Year 7 ☐ Year 8 ☐ Year 9 ☐ Year 10
- F. For a statement of benefits approved after June 30, 2013, did this designating body adopt an abatement schedule per IC 6-1.1-12.1-17?
☐ Yes ☐ No
 If yes, attach a copy of the abatement schedule to this form.
 If no, the designating body is required to establish an abatement schedule before the deduction can be determined.

We have also reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

| | | |
|---|--------------------------|--------------------------------|
| Approved (signature and title of authorized member of designating body) | Telephone number () | Date signed (month, day, year) |
| Printed name of authorized member of designating body | Name of designating body | |
| Attested by (signature and title of attester) | Printed name of attester | |

* If the designating body limits the time period during which an area is an economic revitalization area, that limitation does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years that is less than the number of years designated under IC 6-1.1-12.1-17.

- A. For residentially distressed areas where the Form SB-1/Real Property was approved prior to July 1, 2013, the deductions established in IC 6-1.1-12.1-4.1 remain in effect. The deduction period may not exceed five (5) years. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. The deduction period may not exceed ten (10) years. (See IC 6-1.1-12.1-17 below.)
- B. For the redevelopment or rehabilitation of real property where the Form SB-1/Real Property was approved prior to July 1, 2013, the abatement schedule approved by the designating body remains in effect. For a Form SB-1/Real Property that is approved after June 30, 2013, the designating body is required to establish an abatement schedule for each deduction allowed. (See IC 6-1.1-12.1-17 below.)

IC 6-1.1-12.1-17

Abatement schedules

Sec. 17. (a) A designating body may provide to a business that is established in or relocated to a revitalization area and that receives a deduction under section 4 or 4.5 of this chapter an abatement schedule based on the following factors:

- (1) The total amount of the taxpayer's investment in real and personal property.
 - (2) The number of new full-time equivalent jobs created.
 - (3) The average wage of the new employees compared to the state minimum wage.
 - (4) The infrastructure requirements for the taxpayer's investment.
- (b) This subsection applies to a statement of benefits approved after June 30, 2013. A designating body shall establish an abatement schedule for each deduction allowed under this chapter. An abatement schedule must specify the percentage amount of the deduction for each year of the deduction. An abatement schedule may not exceed ten (10) years.
- (c) An abatement schedule approved for a particular taxpayer before July 1, 2013, remains in effect until the abatement schedule expires under the terms of the resolution approving the taxpayer's statement of benefits.